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Owner of Ashley Madison Enters \$17.5 Million Settlement with State AGs and FTC

Attorney General Doug Peterson joined with thirteen other states, the District of Columbia, and the Federal Trade Commission in entering a <u>Complaint</u> and <u>Consent Judgments</u> with ruby Corp., which owns the AshleyMadison.com website. The settlements include an immediate payment of \$1,657,000 split between the states and the Federal Trade Commission, of which Nebraska will receive \$51,355.48. The remainder of the \$17.5 million payment is suspended based on ruby Corp.'s inability to pay a further amount, which it demonstrated through disclosure of financial documents.

The Ashley Madison dating site catered to individuals wishing to have affairs. In July 2015, the site was hacked and millions of Ashley Madison members' user information, including photographs, usernames, email addresses, communications, and other profile information, was posted online. In the wake of the security breach, it was discovered that the website had created thousands of fake user profiles, misrepresented the strength of its security, and sold a "Full Delete" option which it did not carry out in all instances.

In addition to monetary relief, ruby Corp. agrees to cease engaging in certain deceptive practices, to not create fake profiles, and to implement a stronger data security program. The multistate enforcement action, which was led by the State of Vermont, consisted of Alaska, Arkansas, Hawaii, Louisiana, Maryland, Mississippi, North Dakota, Nebraska, New York, Oregon, Rhode Island, Tennessee, Vermont, and the District of Columbia.

To obtain information about how to protect yourself as a consumer, file a consumer complaint, or report a scam, please visit the Nebraska Attorney General's Office, Consumer Protection Division website at www.protectthegoodlife.nebraska.gov or call (800) 727-6432.